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Order

It is further ordered, That respondents herein shall, within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF
WESTERN STAR BEEF, INC., ET AL.

MODIFIED ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF
THE FEDERAL TRADE COMMISSION ACT

Docket C-1479. Complaint, Jan. 21, 1969—Decision, Apr. 10, 1970

Order modifying an earlier order dated Jan. 21, 1969, 75 F.T.C. 139, prohibiting three Massachusetts meat retailers from using various deceptive practices in the sale of their products, by requiring the respondents to affirmatively disclose by a notice on the face of each installment sales contract that subsequent holders of the instrument shall be subject to all defenses which the customer has against the respondents.

DECISION AND ORDER REOPENING THE PROCEEDING AND
MODIFYING ORDER TO CEASE AND DESIST

The Federal Trade Commission's order to cease and desist in this proceeding became final on January 21, 1969 [75 F.T.C. 139]. On January 20, 1970, the Commission issued its Show Cause Order, requiring the named respondents to show cause, if there be any, why the Commission should not reopen this proceeding and alter and modify a portion of its said order. Service of said order to show cause was completed on February 7, 1970, and no answers were filed on behalf of said respondents within thirty days thereof. Pursuant to Section 3.72(b)(1) of the Commission's Rules of Practice, the respondents, having indicated no objection, are deemed to have consented to the proposed changes.

Therefore, the proceedings herein have been reopened, and the Commission's order to cease and desist herein is altered and modified to read as follows:

ORDER

It is ordered, That respondents Western Star Beef, Inc., a corporation, Great Western Beef Provisioners, Inc., a corporation, and Western Star Beef of Worcester, Inc., a corporation, and their officers, and James J. Kintigos and James J. Weldon, Jr., individu-

ally and as officers of said corporations, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of beef or any other food product, do forthwith cease and desist from:

1. Disseminating, or causing the dissemination of any advertisement by means of the United States mails, or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which represents, directly or by implication:

(a) That any products are offered for sale when the purpose of such representation is not to sell the offered products, but to obtain prospects for the sale of other products at higher prices.

(b) That any product is offered for sale when such offer is not a bona fide offer to sell such product.

2. Disseminating or causing the dissemination of any advertisement by means of the United States mails, or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which fails to clearly and conspicuously disclose:

(a) That under respondents' sales policy, meat advertised as "beef halves" will be sold only as two fore quarters of a beef carcass; that such sections of beef are subject to much waste by way of fat and bone, and contain the least desirable cuts of beef.

(b) Charges for cutting, trimming, wrapping or for any other service or process performed by respondents which are not included in the advertised prices, and which are required to be paid by the purchaser.

(c) That interest and/or carrying charges will be included in the installment payments if an account is not paid within either 105 days, or any other specified period of time, said time period to appear in purchasers' installment contracts.

(d) That beef halves and other untrimmed meats are sold subject to weight loss due to cutting, dressing and trimming.

(e) That the price charged for such meat is based on the weight thereof before cutting, dressing and trimming occurs.

(f) The average percentage of weight loss of such meat due to cutting, dressing and trimming, or, in the alterna-

tive, the range of percentages, minimum to maximum, of weight lost due to cutting, dressing, and trimming.

3. Disseminating, or causing the dissemination of any advertisement by means of United States mails, or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which misrepresents in any manner the price, quantity, or quality of any such products, or the terms, conditions and requirements of installment payment contracts executed by purchasers thereof.

4. Disseminating, or causing to be disseminated by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly the purchase of any meat or other food product in commerce, as "commerce" is defined in the Federal Trade Commission Act, any advertisement which contains any of the representations prohibited in Paragraph 1 of this order, which fails to comply with the affirmative requirements of Paragraph 2 or which contains any of the misrepresentations prohibited in Paragraph 3 hereof.

5. Discouraging the purchase of, or disparaging in any manner, any meat or other food products which are advertised or offered for sale in advertisements, disseminated or caused to be disseminated by means of the United States mails or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act.

6. Failing to deliver a copy of this order to cease and desist to all operating divisions of the corporate respondents and to all officers, managers and salesmen, both present and future, and to any other person now engaged or who becomes engaged in the sale of meat or other food products as respondents' agent, representative, or employee; and to secure a signed statement from each of said persons acknowledging receipt of a copy thereof.

It is further ordered, That respondents Western Star Beef, Inc., a corporation, Great Western Beef Provisioners, Inc., a corporation, Western Star Beef of Worcester, Inc., a corporation and, their officers, and James J. Kintigos and James J. Weldon, Jr., individually and as officers of said corporations, and respondents' agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of meat or other products in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

Order

77 F.T.C.

Failing to include the following legend on the face of any note or other instrument of indebtedness executed by respondents' customers in connection with the purchase of any meat or other food products.

Notice

Any holder of this instrument shall take it subject to any and all defenses which the maker hereof has against Western Star Beef, Inc., or any of its affiliates, which arise out of any representations or other conduct in connection with the contract giving rise to this instrument which violates the Federal Trade Commission Act or any other statute administered by the Federal Trade Commission.

It is further ordered, That the respondents herein, shall within sixty (60) days after service upon them of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which they have complied with this order.

IN THE MATTER OF

BISHOP INDUSTRIES, INC.

CONSENT ORDER, ETC., IN REGARD TO THE ALLEGED VIOLATION OF